

CYNTHIA A. HARDING, M.P.H.  
Interim Director

JEFFREY D. GUNZE NHAUSER, M.D., M.P.H.  
Interim Health Officer

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**BOARD OF SUPERVISORS**

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# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

June 14, 2016

48 June 14, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

LORI GLASGOW  
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZATION TO ACCEPT AND SIGN AN ALLOCATION AGREEMENT AND FUTURE AGREEMENTS AND/OR AMENDMENTS FROM THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES FOR THE MEDI-CAL OUTREACH AND ENROLLMENT ASSISTANCE PROJECT FOR THE PERIOD OF MARCH 12, 2014 THROUGH JUNE 30, 2018 AND AMEND TWO DEPARTMENT OF MENTAL HEALTH MEDI-CAL OUTREACH AND ENROLLMENT ASSISTANCE CONTRACTS TO EXTEND THE TERM AND ADD FUNDING (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**SUBJECT**

Provide authorization to accept and sign an Allocation Agreement and future agreements and/or amendments from the California Department of Health Care Services for the Medi-Cal Outreach and Enrollment Assistance Project for the period of March 12, 2014 through June 30, 2018, and extend two Department of Mental Health Medi-Cal Outreach and Enrollment Assistance Contracts with additional funding for the period July 1, 2014 through June 30, 2018.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize and instruct the Interim Director of the Department of Public Health (DPH), or her designee, to accept and sign an Allocation Agreement (Exhibit I) from the California Department of Health Care Services (DHCS) that extends the term of the original Allocation Agreement from March 12, 2014 through December 31, 2016 to March 12, 2014 through June 30, 2018, and increases the total funding awarded by \$1,430,083, from \$7,005,664 to \$8,435,747.
2. Delegate authority to the Interim Director of DPH, or her designee, to accept future agreements and/or amendments that are consistent with the requirements of the DHCS Allocation Agreement referenced above that extend the term through December 31, 2018, at amounts to be determined by

DHCS; reflect non-material and/or ministerial revisions to the agreement's terms and conditions; allow for the rollover of unspent funds and/or redirection of funds; and/or provide an increase or decrease in funding up to 25 percent above or below the agreement's base amount, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office.

3. Authorize and instruct the Acting Director of the Department of Mental Health (DMH), or her designee, to execute amendments to extend the term of Contract Number MH190121 with Health Advocates, LLC and Contract Number MH190122 with Mental Health Advocacy Services, Inc. for the term of July 1, 2016 through June 30, 2018, and add funds in the amount of \$86,500 to each contract; 100 percent funded by DHCS grant funds to be received through an Intra-Fund transfer (IFT) from DPH.

4. Delegate authority to the Acting Director of DMH, or her designee, to execute amendments to the above contracts, that provide an increase or decrease in funding up to 10 percent above or below each term's revised annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable contract term, and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel and notification to your Board and the CEO.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of Recommendation 1 will allow DPH to accept an Allocation Agreement from DHCS that extends the term and increases the amount of funding originally awarded in a 2014 Allocation Agreement. This supports the provision of Medi-Cal outreach, enrollment, and retention services to difficult-to-reach residents newly eligible for Medi-Cal.

Under the original Allocation Agreement, a consortium of County Departments: DPH; DMH; the Departments of Health Services (DHS) and Public Social Services (DPSS); and the Sheriff's Department (LASD) provided integrated services to the target population. During the extended period, DPH, DMH, DPSS and LASD will continue to provide services. The existing Medi-Cal Outreach and Enrollment Services Memorandum of Understanding (MOU), which outlines the roles and responsibilities of each of the Departments receiving funding, will be amended to reflect the allocation of funds for the period of July 1, 2016 through June 30, 2018, subject to review and approval by County Counsel.

Effective May 16, 2016, with the passage of Senate Bill (SB) 75, the target population eligible for full-scope Medi-Cal coverage has expanded to include all income-eligible children under age 19, regardless of immigration status. Statewide, there are an estimated 170,000 children who will be newly eligible to gain full-scope Medi-Cal benefits. An estimated 50,000 of these children will need outreach and assistance with enrollment, with approximately one-third, or 16,500, needing assistance in Los Angeles County. DHCS has highlighted this new enrollment opportunity to county grantees and encourages using grant funds for this endeavor, including to reach the target populations of mixed-status families and Limited English Proficient (LEP) families and individuals. With the additional funding awarded by DHCS, DPH will be able to expand its outreach to this population.

Approval of Recommendation 2 will allow DPH to accept future agreements and/or amendments that are consistent with the requirements of the current agreement to extend the term of the agreement;

reflect non-material revisions to terms and conditions; rollover unspent funds and/or redirect funds; and/or provide an increase or decrease in funding up to 25 percent above or below the agreement's base amount.

Approval of Recommendation 3 will allow DMH to execute amendments to the referenced contracts to extend the term for the period of July 1, 2016 through June 30, 2018, enabling the agencies to continue providing services without interruption; and to add \$86,500 to each of the Contracts.

Approval of Recommendation 4 will allow DMH to execute amendments to increase or decrease funding up to 10 percent above or below each term's revised annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable contract term, and make corresponding service adjustments, as necessary.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 1, Operational Effectiveness/Fiscal Sustainability; Goal 2, Community Support and Responsiveness; and Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

DPH will accept an Allocation Agreement from DHCS that extends the term of the original Allocation Agreement from March 12, 2014 through December 31, 2016 to March 12, 2014 through June 30, 2018 and increases the total funding award by \$1,430,083, from \$7,005,664 to \$8,435,747. There is no net County cost associated with this action.

Funding is included in DPH's fiscal year (FY) 2015-16 Final Adopted Budget and will be included in future FY's, as necessary.

DPH will continue to act as the fiscal intermediary for the award, and all revenue from DHCS will be received by DPH and then distributed by intra-fund transfer to the participating Departments.

There is no net County cost impact associated with the extension and additional funding of the DMH Agreements.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In November 2013, a consortium of County departments: DPH, DMH, DHS, DPSS, and LASD submitted a joint application to DHCS that included each Department's individual Medi-Cal outreach and enrollment work plan.

On January 28, 2014, DHCS notified the County of the two-year award of \$7,005,664 for participation in the Medi-Cal Outreach and Enrollment Assistance Project.

On June 4, 2014, your Board approved two DMH contracts with Health Advocates, LLC, and Mental Health Advocacy Services, Inc. Since then, these two benefits establishment agencies have worked collaboratively with DMH directly-operated clinics and contracted agencies to provide outreach, education and benefits enrollment services to uninsured adults who are newly-eligible for Medi-Cal under the Affordable Care Act.

On June 10, 2014, your Board authorized DPH to accept and sign the Allocation Agreement from

DHCS, effective March 12, 2014 through December 31, 2016, in the amount of \$7,005,664 for Medi-Cal outreach, enrollment, and retention under the Affordable Care Act for residents newly eligible, but difficult to reach, through integrated services provided by DPH, DHS, DMH, DPSS, and LASD.

On July 1, 2014, MOUs were executed to: 1) establish conditions and provisions for the five Departments to work together to facilitate and conduct outreach and enrollment activities to enroll newly eligible uninsured individuals for Medi-Cal coverage; and 2) effect an intra-fund transfer for DPH Substance Abuse Prevention and Control Program, DPSS, DMH, DHS, and LASD to implement and report on the required activities of the agreement.

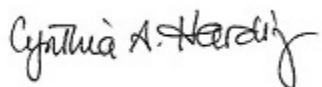
Effective July 1, 2016, DPH will re-allocate unspent funds and allocate newly received funds from DHCS.

County Counsel has reviewed and approved Exhibit I, which includes a provision requiring the County to indemnify the State for all claims and losses related to this award. This is a standard requirement from the State and cannot be waived or modified.

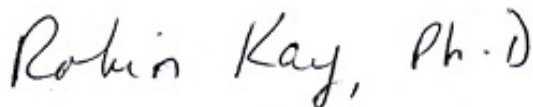
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will allow DPH, DMH, DPSS, and LASD to continue to provide health coverage outreach, enrollment, utilization, and retention services and improve the health and well-being of Los Angeles County residents.

Respectfully submitted,



Cynthia A. Harding, M.P.H.  
Interim Director



ROBIN KAY, Ph.D.  
Acting Director of Mental Health

CAH:RK:ld  
BL#03615

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors

**ALLOCATION AGREEMENT**  
**MEDI-CAL OUTREACH AND ENROLLMENT**  
State of California – Department of Health Care Services

<b>COUNTY</b>	Los Angeles				
<b>PROJECT TITLE</b>	Medi-Cal Outreach and Enrollment				
<b>PERFORMANCE PERIOD</b>	March 12, 2014	through	June 30, 2018		
<p>Under the terms and conditions of this Agreement, the County agrees to complete Outreach and Enrollment efforts as described in the project description, and the State of California, through its Director of the Department of Health Care Services pursuant to AB 82, Section 71 agrees to fund the County up to the Allocation Amount.</p>					
<b>PROJECT DESCRIPTION</b>					
<p>The County agrees to provide Medi-Cal outreach and enrollment services and activities pursuant to AB 82, Section 71, with focus on one or more of the seven targeted populations: Persons with mental health disorder needs; Persons with substance use disorder needs; Persons who are homeless; Young men of color; Persons who are in county jail, in state prison, on state parole, on county probation or under post-release community supervision; Families with mixed immigration status; Persons with limited English Proficiency. The County may target other populations as well. The County shall ensure the needs of the targeted populations are understood and provide information and assistance in a culturally and linguistically appropriate method at no cost to the individual, including the provision of oral interpretation of non-English languages and the translation of written documents when necessary or when requested by the individual to ensure effective communication.</p>					
<b>TOTAL ALLOCATION AMOUNT NOT TO EXCEED</b>		\$8,435,747.32			
The General and Special Provisions attached are made a part of and incorporated into the Agreement.					
<b>Los Angeles</b>		<b>DEPARTMENT OF HEALTH CARE SERVICES STATE OF CALIFORNIA</b>			
Los Angeles County Department of Public Health 600 S. Commonwealth Avenue, Suite 805 Los Angeles, CA 90005					
BY (AUTHORIZED SIGNATURE):  ✍		BY (AUTHORIZED SIGNATURE):  ✍ Original Signed by Sandra Williams			
PRINTED NAME AND TITLE OF PERSON SIGNING:		PRINTED NAME AND TITLE OF PERSON SIGNING: Sandra Williams, Division Chief			
DATE SIGNED:		DATE SIGNED: May 4, 2016			
<b>CERTIFICATION OF FUNDING (FOR STATE USE ONLY)</b>					
AMOUNT OF ALLOCATION \$«Allocation_Amount».00		AGREEMENT NUMBER «Allocation_Number»		FUND –	
ADJ. INCREASING ENCUMBERANCE		APPROPRIATION			
ADJ. DECREASING ENCUMBERANCE		FUNCTION			
TOTAL ALLOCATION AMOUNT \$«Allocation_Amount».00		LINE ITEM ALLOTMENT		CHAPTER	STATUTE
					FISCAL YEAR
T.B.A NO.	B.R. NO.	INDEX	OBJ.	PCA	PROJECT/WORK PHASE
I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance					
SIGNATURE OF ACCOUNTING OFFICER			DATE		

**ALLOCATION AGREEMENT  
MEDI-CAL OUTREACH AND ENROLLMENT  
COUNTY OF LOS ANGELES**

State of California – Department of Health Care Services

**TERMS AND CONDITIONS OF ALLOCATION**

The County shall be responsible for the performance of the work as set forth herein below and for the preparation of deliverables and reports as specified in this Agreement. The County's Project Representative shall promptly notify the State of events or proposed changes that could affect the Work Plan under this Agreement.

**Special Provisions**

1. County shall complete all work in accordance with an approved Work Plan which will be included in this Agreement as Attachment 2.
2. Rights in Data and Reporting: The County agrees that all data and reports produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such data and reports, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so.

**General Provisions**

**A. Definitions**

1. The term "Allocation" as used herein means the Outreach and Enrollment Allocation funding authorized by AB 82, Section 71.
2. The term "Agreement" as used herein means an allocation agreement between the State and County specifying the payment of Allocation Amount by the State for the performance of Work Plan within the Project Performance Period by the County.
3. The term "County" as used herein means the party described as the County on page one (1) of this Agreement.
4. The term "Allocation Amount" as used herein means funds awarded to the County by the State.
5. The term "Project Performance Period" as used herein means the period of time that the Allocation Amount is available as described on page one (1) of this Agreement.
6. The term "Project Representative" as used herein means the person authorized by the County to be responsible for the Allocation and is capable of making daily management decisions.
7. The term "State" as used herein means the Department of Health Care Services.
8. The term "Community Based Organization," or "CBO," as used herein means a public or private nonprofit organization of demonstrated effectiveness that is representative of a community or significant segments of a community, and provides educational or related services to individuals in the community, as stated in 20 U.S.C.A § 7801(6).

## **B. Allocation Execution**

1. County agrees to complete the Allocation in accordance with the time of the Allocation Performance Period and under the terms and conditions of this Agreement.
2. County shall comply with the provisions of AB 82, Section 71.
3. County agrees to submit in writing any deviation from the attached Work Plan to the State for approval prior to implementation of changes.

## **C. Allocation Costs**

Subject to the availability of Allocation Amount, the State hereby grants to the County an additional \$1,430,083.32 to the previous allocated amount of \$7,005,664 not to exceed the amount stated on page one (1) of this Agreement in consideration of and on condition that the sum be expended in carrying out the purpose as set forth in the Work Plan and under the terms and conditions set forth in this Agreement.

The Allocation Amount to be provided to the County, under this Agreement, may be disbursed as follows:

1. To Community Based Organizations (CBOs): County shall disperse at least 50% of the Allocation Amount. The County is required to partner with one or more CBOs to develop, conduct and implement effective tools and methods to expand Medi-Cal outreach, increase Medi-Cal enrollment and contribute efforts to retention for the uninsured, targeted populations. The County is not required to immediately contract with CBOs in light of the timelines that may be necessary for contracting processes. However, the County will need to demonstrate through quarterly reporting activities on the progress of contracting with CBOs.
2. Indirect administrative costs, including planning, plan documentation, and other administrative costs shall not exceed 10% of the Allocation Amount.

## **D. Payment Documentation**

1. All payment requests must be submitted by the County on a quarterly basis using a completed Outreach and Enrollment Quarterly Invoice, Attachment 3. The invoice and the deliverables noted below must accompany the invoice as outlined in the Quarterly Invoice, Deliverables and Payment Schedule noted on Page 4.

Budget Plan, Attachment 1

Work Plan, Attachment 2

Outreach and Enrollment Quarterly Invoice, Attachment 3

Quarterly Progress Report, Attachment 4

Annual Budget Report, Attachment 5

2. County shall submit all documentation for Allocation completion and final reimbursement within 90 days of Allocation completion, but no later than the end of the Project Performance Period as shown on page one (1).
3. Payments shall be on the basis of costs incurred.
4. Advance Allocation payment without an invoice is not allowed.

QUARTERLY INVOICE, DELIVERABLES AND PAYMENT SCHEDULE 2016 / 2017 / 2018				
DUE DATE OF DELIVERABLES	COUNTY DELIVERABLES	QUARTER FOR INVOICING EXPENDITURES	DHCS REVIEW DEADLINE	*ESTIMATED PAYMENT DATE
01/05/16	INVOICES/ PROGRESS REPORT	October, November, December 2015	01/11/16	02/01/16
04/05/16	INVOICES/ PROGRESS REPORT	January, February, March 2016	04/11/16	05/02/16
07/07/16	3 <sup>rd</sup> ANNUAL BUDGET REPORT / INVOICES/ PROGRESS REPORT	April, May, June 2016	07/13/16	08/03/16
10/03/16	INVOICES/ PROGRESS REPORT	July, August, September 2016	10/10/16	10/30/16
01/06/17	INVOICES/ PROGRESS REPORT	October, November, December 2016	01/12/17	02/02/17
04/07/17	INVOICES/ PROGRESS REPORT	January, February, March 2017	04/13/17	05/04/17
07/07/17	4 <sup>th</sup> ANNUAL BUDGET REPORT / INVOICES/ PROGRESS REPORT	April, May, June 2017	07/13/17	08/03/17
10/06/17	INVOICES/ PROGRESS REPORT	July, August, September 2017	10/12/17	11/04/17
01/05/18	INVOICES/ PROGRESS REPORT	October, November, December 2017	01/11/18	02/01/18
04/05/18	INVOICES/ PROGRESS REPORT	January, February, March 2018	04/11/18	05/02/18
07/07/18	5 <sup>th</sup> ANNUAL BUDGET REPORT / INVOICES/ PROGRESS REPORT	April, May, June 2018	07/13/18	08/03/18

\*Based on 21 processing days for DHCS' Accounting and the State Controller's Office.

#### **Budget Plan**

County is required to use the Budget Plan, Attachment 1. As outlined in the Quarterly Invoice, Deliverables and Payment Schedule above, a Budget Plan must be submitted to DHCS in order to receive the initial payment allocation of at least 20% of the Total Allocation Award.

#### **Work Plan**

County is required to use the Work Plan, Attachment 2. As outlined in the Quarterly Invoice, Deliverable and Payment Schedule noted above, a Work Plan must be submitted to DHCS in order to receive the second quarterly payment. The Work Plan shall include strategies, milestones, and time frames for outreach, enrollment and retention activities completed by the County and its contracted CBOs.

#### **Outreach and Enrollment Quarterly Invoice**

County is required to use the Outreach and Enrollment Quarterly Invoice, Attachment 3. Invoices must be submitted by the County on a quarterly basis as outlined in the Quarterly Payment and Deliverable Schedule noted above. The Invoice must include detailed budget activity and expenditures for the specific quarter.

Please note: To receive the initial payment allocation of at least 20% of the Total Allocation Award, County must submit a Budget Plan and an Invoice. The Invoice will reflect the time needed to develop the Budget Plan.



### **Quarterly Progress Report**

County is required to submit a Quarterly Progress Report, Attachment 4. As outlined in the Quarterly Invoice, Deliverables and Payment Schedule noted above, Quarterly Progress reports will be required starting with the third quarter reporting period. The County must provide a progress report to measure and document progress-to-date on the work plan objectives and performance goals. The State reserves the right to require reports more frequently than on a quarterly basis if necessary, but no more than once a month.

### **Annual Budget Report**

County is required to submit an Annual Budget Report, Attachment 5, at the end of every State fiscal year as outlined in the following schedule:

- Due July 15, 2016 – Report period July 1, 2015 through June 30, 2016
- Due July 14, 2017 – Report period July 1, 2016 through June 30, 2017
- Due July 13, 2018 – Report period July 1, 2017 through June 30, 2018

### **E. Allocation Termination or Withdrawal**

1. County may withdraw from the Outreach and Enrollment Allocation Funding by notifying the State in writing at any time of the request to withdraw from further participation. Once the withdraw request is received, the State will contact the County to complete close out tasks.
2. County may unilaterally rescind this Agreement at any time prior to the commencement of the Allocation. After Allocation commencement this Agreement may be rescinded, modified or amended by mutual agreement in writing.
3. Failure by the County to comply with the terms of this Agreement may be cause for terminating all obligations of the State for additional Allocation payments.

### **F. Loss of Allocation Amount**

The following actions may result in a loss or part of all Allocation Amount allocated to the County.

1. A County fails to return a signed Agreement to DHCS within 60 days of receipt of the Agreement.
2. A County fails to produce satisfactory Invoices and Deliverables as outlined in the Quarterly Invoice and Deliverable Schedule noted on Page 5.
3. A County withdraws from the Allocation Agreement.
4. A County fails to submit a satisfactory Corrective Action Plan (CAP).
  - i. This action shall result in a 50% reduction of the total Allocation Amount.

### **G. Hold Harmless**

1. County agrees to waive all claims and recourse against the State including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this Agreement except claims arising from the concurrent or sole negligence of State, its officers, agents, and employees.
2. County agrees to indemnify, hold harmless and defend the State, its officers, agents and employees against any and all claims, demand costs, expenses or liability costs arising out of legal actions pursuant to items to which the County has certified. County acknowledges that it is solely responsible for compliance with items to which it has certified.

## **H. Financial Records**

1. County agrees to maintain satisfactory financial accounts, documents and records for the Allocation and to make them available to the State for auditing at reasonable times. County also agrees to retain such financial accounts, documents and records for three years following Allocation termination or completion.
2. County and State agree that during regular office hours each of the parties hereto and their duly authorized representative shall have the right to inspect and make copies of any books, records or reports of the other party pertaining to this Agreement or matters related thereto. County agrees to maintain and make available for inspection by the State accurate records of all of its costs, disbursements and receipts with respect to its activities under this Agreement.
3. County agrees to use a generally accepted accounting system.

## **I. Community Based Organizations (CBOs)**

1. As mandated in AB 82, Section 71(e) (1), “The funds allocated under this section shall be used only for the Medi-Cal outreach and enrollment activities and may supplement, but shall not supplant, existing local, state, and foundation funding of county outreach and enrollment activities.”
2. AB 82, Section 71(g), requires that “Under terms of the approved allocation for the outreach and enrollment program, funded entities under this section shall not receive payment for in-person assister payments for assisting potential Medi-Cal enrollees.”
3. In working with the CBOs for Medi-Cal outreach and enrollment, the counties will need to provide documentation clearly delineating how their partnering CBOs will separate the enrollment work under this allocation from the enrollment work of the CBO’s Certified Enrollment Counselors (CECs) and Certified Insurance Agents (CIAs) for which they would be paid \$58 per enrolled application.
  - i. Example: If a CBO, in partnership with a county agency through this funding source, sends out a CEC to an outreach and enrollment activity at a substance use disorder clinic and enrolls some of the population at the clinic or makes an appointment with them and enrolls them later, the CBO cannot claim the \$58 per approved Medi-Cal application for this same person. The CBO is already receiving funds for this purpose through the county.

## **J. Audit**

1. Allocations are subject to audit by the State for three years following the final payment of Allocation Amount. The purpose of this audit is to verify that Allocation expenditures were properly documented. Counties will be contacted at least 30 days in advance of an audit.
2. Audit will include all books, papers, accounts, documents, or other records of the County, as they relate to the Allocation for which the State authorized Allocation Amount. The County shall have the Allocation records, including the sources documents and cancelled warrants, readily available to the State.
3. County must also provide an employee having knowledge of the Allocation and the accounting procedure or system to assist the State’s auditor. The County shall provide a copy of any document, paper, record, or the like requested by the State.
4. All Allocation records must be retained for at least one year following an audit or final disputed audit findings.

**K. Nondiscrimination**

1. County shall not discriminate against any person on the basis of sex, race, color, national region, age, religion, ancestry, or physical handicap when conducting outreach and enrollment efforts pursuant to this Agreement and in compliance with the Americans with Disabilities Act.
2. County shall ensure the security, privacy and confidentiality of each enrollee.

**L. Health Insurance Portability and Accountability Act of 1996 ("HIPAA")**

1. Counties shall ensure security of privacy and confidentiality of each consumer application and comply with HIPAA requirements as set forth by law.

**M. Federal Funding**

1. The full Allocation Agreement fund amount is contingent upon State dollars being matched with federal funds. If sufficient federal funding for the current year and/or any subsequent year covered under this Agreement is not received to pay for the federally funded portion of the program, DHCS will not be liable for paying the federal portion to the counties under this Agreement and the counties shall not be obligated to perform any provisions of this Agreement.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, DHCS shall have the option to cancel this Agreement with no liability occurring to DHCS, or offer an Agreement amendment to the counties to reflect the reduced amount.